a memory adapted to store master magnetic characteristic information corresponding to a plurality of types of currency bills; and

an evaluating unit adapted to evaluate the currency bill by comparing the retrieved magnetic characteristic information to the stored master magnetic characteristic information, the evaluating unit being adapted to generate an error signal when the retrieved magnetic characteristic information does not favorably compare to the stored master magnetic characteristic information.

149. (Previously Added) The currency evaluation device of claim 147 wherein the spacing between each of the at least two magnetic sensors is less than about one millimeter.

REMARKS

Claims 1-6, 30-77, and 90-145 have been cancelled without prejudice. Claim 78 has been amended. Thus, claims 7-29, 78-89, and 146-149 are pending in the present application.

Claims Rejections – 35 U.S.C. § 103

Claims 7-29, 58-89, and 146-149 have been rejected under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 4,880,096 to Kobyashi et al. The Applicants respectfully traverse these claim rejections and respectfully submit that the Applicants' claims are patentable over Kobyashi for at least the following reasons.

An obviousness rejection under §103 requires that all the limitations of a claim must be taught or suggested by the prior art. M.P.E.P. § 2143.03 (citing *In re Royka*, 490 F.2d 981, 985, 180 U.S.P.Q. 580, 583 (C.C.P.A. 1974)). A *prima facie* case of obviousness requires, *inter alia*, (i) a "suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings," and (ii) that "the prior art reference . . . must teach or suggest all the claim limitations." *See* M.P.E.P. § 2143 (citing *In re Vaeck*, 947 F.2d 488, 493, 20 U.S.P.Q.2d 1438, 1442 (Fed. Cir. 1991).

Claims 7-29, 78-89, and 146-149 each recite the limitation of an "an input receptacle adapted to received a stack of bills to be evaluated." Kobyashi does not disclose, teach, or suggest an input receptacle that receives a stack of currency bills. Rather, Kobyashi discloses a

bill validator having a bill insertion slit that is only capable of receiving one bill at a time. *See* Kobyashi at col. 6, lines 23-41. Kobyashi does not disclose, teach, or suggest this claim limitation. Nor does the office action cite to any suggestion or motivation in Kobyashi, or within the knowledge of one of ordinary skill in the art, for modifying the Kobyashi device to meet the Applicants' claims. Thus, the Applicants respectfully submit that a *prima facie* case of obviousness has not been made and that claims 7-29, 78-89, and 146-149 are patentable over Kobyashi under 35 U.S.C. § 103(a) for at least this reason.

Claims 78, 89, 146, and 148 include limitations directed to the magnetic scanhead having a plurality of magnetic sensors covering a substantial portion of a dimension of a currency bill: "the plurality of magnetic sensors covering a substantial portion of a long dimension of a bill" (claim 78); "the plurality of magnetic sensors covering a substantial portion of a long dimension of the currency bills" (claim 146); and "the at least two magnetic sensors being adapted to scan a substantially continuous segment of each of the bills, the substantially continuous segment being parallel to the wide edge of the currency bills" (claim 148). Kobyashi does not disclose, teach, or suggest a device that transports currency bills such that the bills' wide edge is the leading edge of the bill and a device wherein the magnetic sensors cover a substantial portion of the long dimension of the currency bills. Nor does the office action cite to any suggestion or motivation in Kobyashi, or within the knowledge of one of ordinary skill in the art, for modifying the Kobyashi device to meet the Applicants' claims. Thus, Applicants respectfully submit that a *prima facie* case of obviousness has not been made and that claims 78, 89, 146, and 148 are patentable over Kobyashi under 35 U.S.C. § 103(a) for at least this reason.

Claims 12, 19, 28, and 88 include the limitation of a "transport mechanism [that] is adapted to transport each of the bills such that a long edge of the bill is the leading edge of the bill." Similarly, claim 146 requires that the transport mechanism be adapted to "transport bills such that their narrow dimension is parallel to the direction of transport." Kobyashi does not disclose, teach, or suggest a bill validator having a transport mechanism that transports bills in this fashion. Rather, bills are inserted into the Kobyashi bill validator via the bill insertion slit narrow edge first. Nor does the office action cite to any suggestion or motivation in Kobyashi, or within the knowledge of one of ordinary skill in the art, for modifying the Kobyashi device to meet the Applicants' claims. Thus, Applicants respectfully submit that a *prima facie* case of

obviousness has not been made and that claims 12, 19, 28, 88, and 146 are patentable over Kobyashi under 35 U.S.C. § 103(a) for at least this reason

Claims 13, 20, and 29 recite the limitation that the currency evaluation device evaluates bills at a rate of at least 800 bills per minute. Kobyashi does not disclose, teach, or suggest a bill validator capable of processing bills at a rate of at least 800 bills per minute. Rather, bills are inserted into the Kobyashi bill validator via the bill insertion slit one bill at a time. Nor does the office action cite to any suggestion or motivation in Kobyashi, or within the knowledge of one of ordinary skill in the art, for modifying the Kobyashi device to meet the Applicants' claims. Thus, Applicants respectfully submit that a *prima facie* case of obviousness has not been made and that claims 13, 20, and 29 are patentable over Kobyashi under 35 U.S.C. § 103(a) for at least this reason.

Obviousness-Type Double Patenting Rejections

Claims 7-29, 58-89, and 146-149 have been rejected under the judicially created doctrine of obviousness-type double patenting as being unpatentable over the claims of U.S. Patents Nos. 5,295,196; 5,430,664; 5,467,405; 5,790,697; 5,806,650; 5,815,592; 5,867,589; 5,870,487; 5,875,259; 5,905,810; 5,992,601; 6,012,565; 6,073,744; 6,220,419; 6,237,739; 6,241,069; 6,278,795; and 6,311,819. The Applicants respectfully traverse these rejections.

As the Applicants set forth in their prior reply, an obviousness-type double patenting rejection requires the claims of the pending application to be compared to the claims of an application or a patent. *See* M.P.E.P. § 804. The present rejection repeats that same rejection set forth in the prior action without setting forth any basis for such rejections and without addressing the Applicants' prior reply. In the present Office Action (as well as in the prior office action), none of the claims of the above-identified U.S. patents have been specifically identified as relating to the obviousness-type double patenting rejections. Thus, the Applicants respectfully submit that these obviousness-type double patenting rejections are improper. In order to allow the Applicants to adequately respond to this rejection, the Applicants respectfully request an identification of the specific claim(s) of each of the above-identified U.S. patents or, alternatively, for these obviousness-type double patenting rejections to be withdrawn.

Further, the claims of the present application require, *inter alia*, a "plurality of closely spaced magnetic sensors." The claims of the cited patents do not include this limitation. Thus,

the Applicants respectfully request that these obviousness-type double patenting rejections be withdrawn.

Provisional Obviousness-Type Double Patenting Rejections

Claims 7-29, 58-89, and 146-149 have been provisionally rejected under the judicially created doctrine of obviousness-type double patenting as being unpatentable over claims of copending Application Serial Nos. 09/541,170; 09/542,487; 09/635,967; 09/607,019; 09/611,279; and 09/126,580.

Again, the office action sets forth the conclusion of provisional obviousness-type double patenting rejections without addressing the merits of any such rejections and without addressing the Applicants' prior reply to the same rejections. Rather, the present office action repeats the provisional obviousness-type double patenting rejections set forth in the prior office action.

To formulate an obviousness-type double patenting rejection, the claims of the pending application must be compared to the claims of an application or a patent. *See* M.P.E.P. § 804. In the Office Action, none of the claims of the above-identified copending applications has been specifically identified as relating to the obviousness-type double patenting rejections. Therefore, Applicants respectfully submit that these obviousness-type double patenting rejections are improper. In order to allow the Applicants to adequately respond to this rejection, the Applicants respectfully request an identification of the specific claim(s) of each of the above-identified U.S. patents or, alternatively, for these obviousness-type double patenting rejections to be withdrawn.

Further, each of the claims pending in the present application are directed to a device or method that include the limitation of "a plurality of closely spaced magnetic sensors." As discussed, a provisional obviousness-type double patenting rejection involves comparing the claims of the present application to the claims of a second applications. None of the cited copending applications claims a method or apparatus with either of these limitations. Therefore, Applicants respectfully submit these provisional obviousness-type double patenting rejections should be withdrawn.

Regarding the Examiner's statement of the unavailability of U.S. Application Serial No. 09/864,423, the Applicants believe that this is not an application owned by the assignee of the present application. The Applicants note that Application No. 08/864,423 is an application

owned by the assignee of the present application and issued as U.S. Patent No. 6,311,819, which was recited in the obviousness-type double patenting rejection.

Conclusion

In conclusion, Applicants respectfully submit that all claims are in condition for allowance and such action is earnestly solicited.

If there are any matters which may be resolved or clarified through a telephone interview, the Examiner is respectfully requested to contact Applicants' undersigned attorney at the number indicated.

A check in the amount of $860.00 is enclosed for the fees associated with the RCE and petition for a one-month extension of time filed herewith. The Commissioner is authorized to charge any additional fees which may be required (except the issue fee) to JENKENS & GILCHRIST, P.C. Deposit Account No. 10-0447(47171-00271USP1).

Respectfully submitted,

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